Office of Information Technology Services

Project Portfolio Management Tool

Change Request Guidelines

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1 Document History

4.1.1.1 Revision History

Revision #	Revision Date	Description of Change	Author
1.0	06/10/2008	Initial Document	B. Swartz

2 Purpose

This document has been created to assist users of the Project Portfolio Management (PPM) tool with understanding the criteria and process for change requests as well as the rules for entering change requests into the Project Portfolio Management (PPM) tool.

3 Change Request Criteria

3.1 Projects With Total Investment Greater Than $500,000

The process described in Section 4 should be followed when projects over $500,000 have material changes to the budget, scope and/or schedule.

3.1.1 Planning and Design Phase

During the Planning & Design phase, the Change Request process includes greater than 5% changes to the budget or significant changes to scope and/or schedule of the Planning & Design phase itself. Adjustments to cost should be made within the change request cost tab in the form of delta adjustments.

Changes to later phases identified during Planning and Design do not require a Change Request as the later phases have not been baselined. Budget and forecast cost changes to later phases can be documented on the budget and forecast cost tabs. At Gate Approval, the budget changes will be reviewed and approved as part of the State Approval Process.

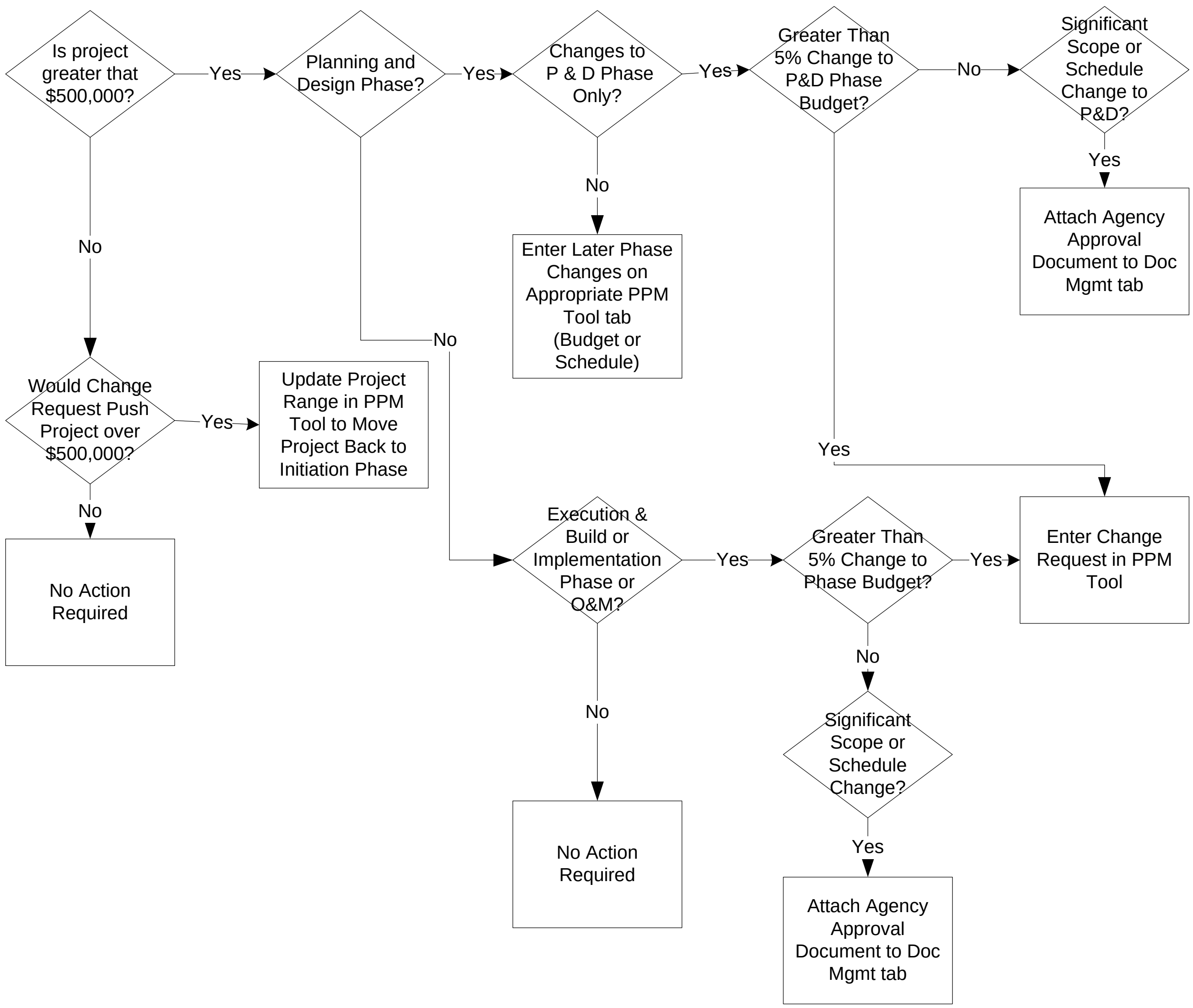
3.1.2 Execution and Build or Implementation Phase or O & M

During the Execution and Build phase or the Implementation phase, the Change Request process includes greater than 5% changes to the phase budget or significant changes to scope and/or schedule. Changes to the O & M budget are also included. Adjustments to cost should be made within the change request cost tab in the form of delta adjustments.

3.2 Projects With Total Investment Less Than $500,000

For projects under $500,000, a change request is **not** required unless the change pushes the total cost of the investment over $500K. If the change request takes the project **over $500K,** the “Project Range” attribute on the Project Info tab must be updated to reflect the new dollar range of the project. The project will move back to the Initiation phase and go through the normal approval process for a new project. This is required because the project range controls the workflow which the project must follow.

Change Request Criteria



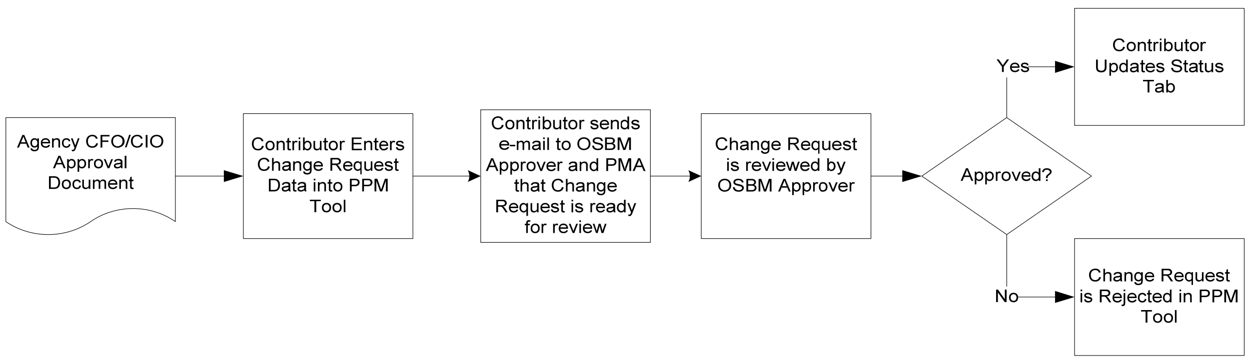
4 Change Request Process

4.1 Budget Changes

If the cost of the Planning and Design, Execution and Build or Implementation phase or Operations and Maintenance will exceed the SCIO approved budget by more than 5%, a PPM tool “Change Request” is required to obtain OSBM approval. Budget changes should be approved by the agency CFO/CIO and project sponsor before being entered into the tool. If the Change Request is for increased funds, the agency approval document must state the source of the new funds and the fund code. Once approved at the agency level, the agency-approved change request document **must** be attached to the Document Management tab in the PPM tool. The file name for the agency approval document as it appears in the Document Management tab must be included in the Change Request Description field. If the agency approval document is not attached, the change request will be rejected.

If the Change Request will result in a dollar change to the current month, the Change Request should be entered into the PPM Tool early enough in the month so that it is approved prior to the submission of the Monthly Status Report.

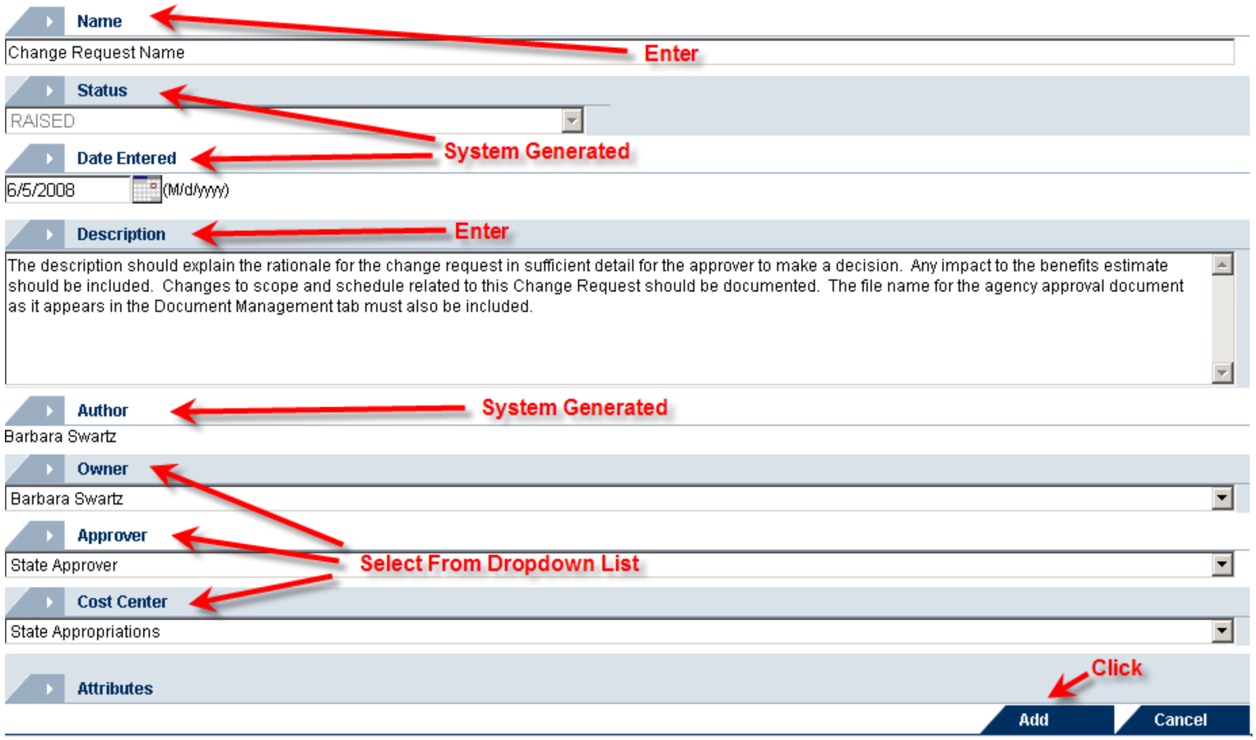
Change Request for Greater Than 5% Budget Change to a Project Over $500,000



4.1.1 Submit Change Request in PPM Tool

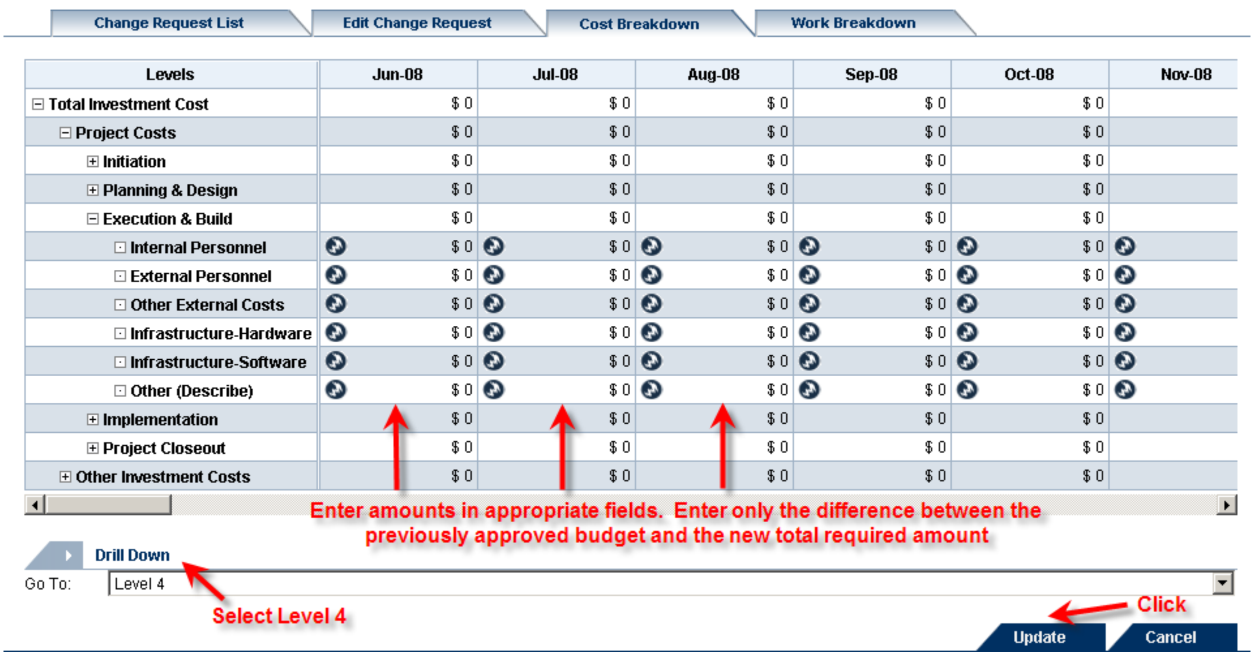
The Project Manager enters the change request by going to the “Project Info” tab for his/her project (in edit mode) and clicking on the “**Change Request**” link near the top of the window. (See Section 5: Checklist for Entering a Budget Change Request into the PPM Tool)

1. Click on the “Add Change Request” tab.
2. Enter Change Request Name
3. Enter Change Request Description. The description should explain the rationale for the change request in sufficient detail for the approver to make a decision. Any impact to the benefits estimate should be included. Changes to scope and schedule related to this Change Request should be documented. The file name for the agency approval document as it appears in the Document Management tab must also be included.
4. For “owner”, select the appropriate name from the dropdown list.
5. For “approver”, select OSBM representative from the dropdown list.
6. Choose the appropriate cost center for the source of the funds.
7. Click the “Add” button at the bottom of the screen to create the change request.



8. A "Cost Breakdown" tab will now appear on the change request screen. Select the Cost Breakdown tab. Select Level 4 from the dropdown list. Enter the amount of the budget request in the appropriate fields for the appropriate months. These amounts should **ONLY** include the difference between the previously approved budget and the new total amount, **NOT** the entire amount of the project. (It is possible for these numbers to be negative.)

9. Click the "Update" button.



4.1.1.1 See Final Result of Cost Breakdown Tab Entries Prior to Submission

In order to see the impact of data entered on the change request cost breakdown tab, users who are proficient with Excel may want to copy and paste the change request cost breakdown tab data along with current budget cost tab data and cost forecast tab data into Excel to determine what the final result would be after approval. If you are not comfortable with Excel, contact the PPM tool support team for assistance.

4.1.1.2 Special Instructions for Budget Changes for the Planning and Design Phase

For Change Requests entered for Planning and Design dollars in the Planning and Design Phase, the requested dollar amounts (positive or negative) **must** be entered into the Cost Breakdown tab of the Change Request**.**

4.1.1.3 Account for Budget and Actual Differences from Previous Months

Change request budget amounts in the “Cost Breakdown” tab can only be made for the current month forward, not for previous months. If a change request is being made to account for differences between the budget and actuals for previous months, put that amount (positive or negative) in the current month in the cost breakdown tab (at level 4). While this may significantly throw off the revised budget amount for the current month, the **total cost** revised budget will be correct for each phase of the project, which is what is used by the EPMO QA group when assessing the project. **No additional data entry is required.** When this change request is approved (see steps 2 and 3 below), it will also temporarily throw off the totals for the “cost forecast” in the Cost Tracking tab (specifically because the cost forecast for previous months already matches the actuals, and now it is being offset by automatically adding this budget adjustment, which effectively double counts this adjustment (positively or negatively)). However, this will be remedied as soon as actuals are entered in the Cost Tracking tab for this month, overwriting the value in the cost forecast for this month and correcting the overstated amount for the Cost Forecast (be sure to enter (or re-enter) your actuals for the month AFTER the change request is approved). The Cost Tracking tab will also reflect the original budget, approved change requests and revised budget.

4.1.2 Notify OSBM Approver

When the user clicks ADD at the bottom of the Change Request screen, the OSBM Approver will receive an email alerting him/her that a change request was submitted. **It is suggested that the Project Manager send a follow-up e-mail to the OSBM Approver for IT when the change request is complete and ready for review.** The OSBM Approver logs onto the tool, edits the project, reviews the change request (including the description and cost breakdown tab) and then either approves or rejects the change request. Approvals should generally be completed within seven (7) calendar days of receiving the email notification that the change request is ready for review.

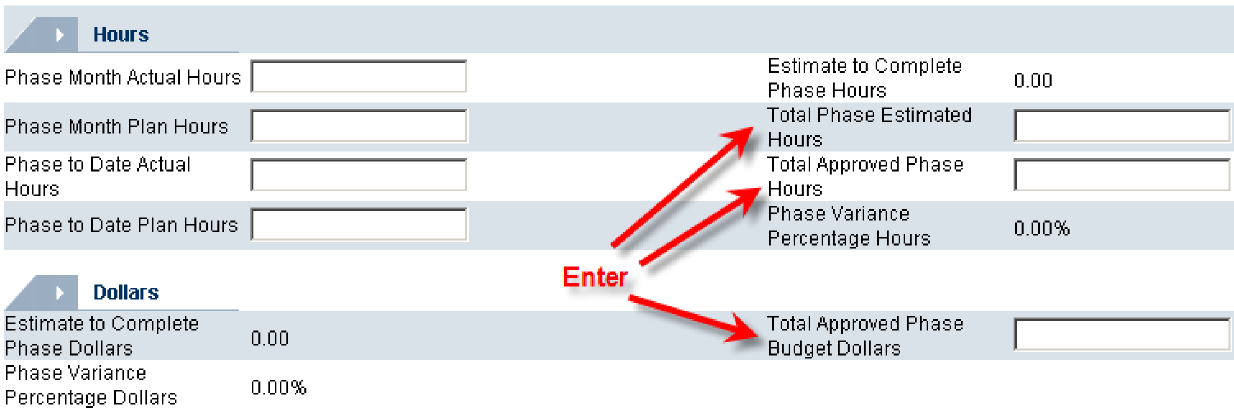
NOTE: If you save the Change Request before it is ready for review, send an e-mail to the OSBM Approver and your PMA letting them know that it is not ready for review. Send a second e-mail when the Change Request is ready for review.

4.1.3 Update Status Tab in PPM Tool

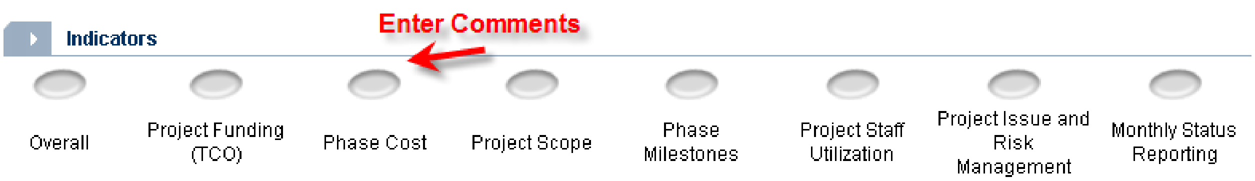
If (and only if) the change is approved, the budget amount shows up in the "Cost Tracking" tab under the "Change Request" section and is included in the "Revised Budget" for that tab (and the actual and forecast variances will be against the revised budget amounts). The Cost Forecast is increased by the amount of the Cost Breakdown in the change request for the appropriate months. The details of the change will continue to be available under the "Change Request" link on the Project Info tab. The Budget Cost tab continues to contain the original budget costs and will **NOT** contain the change request costs.

Before the next status report is submitted, the project manager should update the **Status** tab to:

1. Adjust the "Total Approved Phase Budget Dollars", "Total Approved Phase Hours" and "Total Phase Estimate Hours" for the appropriate phases with any changes that occur as a result of this change request (the "Estimate to Complete Phase Dollars" will be automatically calculated as a result of the Cost Forecast fields update).



2. Include comments in the Cost "indicator comments" field explaining the changes in budget so that the EPMO QA group understands the reason for the changes in that area.



Tab	**Attributes Updated**
Cost Tracking	After change request is approved: • Change Request columns updated • Revised Budget columns updated • Cost Forecast columns updated
Status	After change request is approved: • "Estimate to Complete Phase Dollars" is updated • Phase Variance Percentage Dollars is adjusted Manually Update: • Total Approved Phase Budget Dollars • Total Approved Phase Hours • Total Phase Estimate Hours • "Cost" Indicator Comment
Document Management	• Attach Agency Approved Change Request

4.2 Scope Changes

Scope Changes **must** be approved at the agency level by the project sponsor before being entered into the tool. Once approved by the project sponsor, the Project Manager should update the following information in the tool and notify the ITS assigned Project Management Advisor (PMA) of the changes:

Tab	Attributes Updated
Project Info	• Project Goals • Project Deliverables • Items Out of Scope • Proposed Strategy • High Level Assumptions and Constraints
Status	• Business Functional Requirements (Scope) • “Scope” Indicator Comment
Schedule	• Milestones
Document Management	• Attach Agency Approved Change Request

- **Project Info Tab**:
  - o Change the appropriate information in the Project Info tab (such as Project Goals, Project Deliverables, Items Out of Scope, Proposed Strategy, High Level Assumptions and Constraints).
- **Status Tab:**
  - o Update the “Business Functional Requirements (Scope)” section with the number of changes to the business functional requirements.
  - o Add a comment in the “Indicator Comment” for the “Scope” indicator explaining that the project scope was modified and approved at an agency level so that the Enterprise Project Management Office Quality Assurance (EPMO QA) group understands the reason for the changes in that area.
- **Schedule Tab:**
  - o Add or delete any relevant milestones.
- **Document Management Tab:**
  - o An agency-approved change request document **must** be attached to the Document Management tab in the PPM tool once appropriate approvals have been obtained. The document may be an e-mail, memorandum, agency change review board meeting approval or any document that shows agency approval of the change in scope.

4.3 Schedule Changes

Schedule Changes **must** be approved at the agency level by the project sponsor before being entered into the tool. Once approved by the project sponsor, the Project Manager should update the following information in the tool and notify the PMA of the changes:

Tab	Attributes Updated
Project Info	• End Date
Schedule	• Actual percent complete • Milestones/Phases Forecast dates
Status	• “Milestone” Indicator Comment
Document Management	• Attach Agency Approved Change Request

- **Project Info Tab:**
    - Edit “End Date” if required.
- **Schedule Tab:**
    - Update the “Actual” percent complete for the entire project or a given phase (may actually decrease if the schedule increased).
    - Update the “**forecast**” dates for the appropriate phases and milestones. (The “planned” dates should always contain the original approved planned start/end dates and the “forecast” dates should always contain the latest approved revised planned dates).
- **Status Tab:**
    - Add a comment in the “Indicator Comment” for the “Milestone” indicator explaining that the project schedule was modified and approved at an agency level so that the EPMO QA group understands the reason for the changes in that area.
- **Document Management Tab:**
    - An agency-approved change request document **must** be attached to the Document Management tab in the PPM tool once appropriate approvals have been obtained. The document may be an e-mail, memorandum, agency change review board meeting approval or any document that shows agency approval of the change in schedule.

5 Checklist for Entering a Budget Change Request into the PPM Tool

	Project Portfolio Management (PPM)Tool
	Log on to the State of North Carolina Project Portfolio Management Tool at https://www.ppm.state.nc.us
	Project Info tab:
	On the "Project Info" tab for the project (in edit mode), click on the "**Change Request**" link near the top of the window. **Note:** An e-mail is automatically sent to the OSBM Approver when you click the Add tab at the bottom of the Add Change Request screen. It is recommended that you not begin to enter the Change Request until you have the required financial data. If you save the Change Request before it is ready for review, send an e-mail to the OSBM Approver and your PMA letting them know that it is not ready for review. Send a second e-mail when the Change Request is ready for review.
	Change Request tab:
	• Change Request List displays. • Click on the "Add Change Request" tab. • Enter Change Request Description. The description should explain the rationale for the change request in sufficient detail for the approver to make a decision. Any impact to the benefits estimate should be included. Changes to scope and schedule related to this Change Request should be documented. The file name for the agency approval document as it appears in the Document Management tab must also be included. • Author is the person entering the Change Request. • For "owner", select the appropriate name from the dropdown list. • For "approver", select OSBM Approver from the dropdown list. Jim Dolan has been preselected. Do not change. • Choose the appropriate cost center for the source of the funds. Only one source of funds can be selected. Benefits should NEVER be selected. • Click on the "Add" button at the bottom of the screen to create the change request. • The Cost Breakdown tab will now display on the change request screen. • Select the Cost Breakdown tab.

- The Cost Breakdown screen displays. Select Level 4 from the dropdown list.
  The first month displayed in the Change Request "Cost Breakdown" tab is the month in which the Change Request was entered. The last month you see in the "Cost Breakdown" is based on the "Actual End Date" in the Schedule tab plus the number of months in the "Capitalization Period" (60). The Actual End Date on the Schedule tab is the same as the latest Phase Planned End Date.
- Enter the amount of the budget request in the appropriate fields for the appropriate months. The amounts should **ONLY** include the difference between the previously approved budget and the new total amount, **NOT** the entire amount of the project. (It is possible for these numbers to be negative.) If a change request is being made to account for differences between the budget and actuals for previous months, put that amount (positive or negative) in the current month in the cost breakdown tab (at level 4). Enter the total amount (prior month(s) change request amount plus amount for the current calendar month, if any) in the current calendar month cell on the Cost Breakdown tab.
- When finished, click "Update"
- Send an e-mail to the OSBM Approver (currently Jim Dolan) and your PMA letting them know that the Change Request is ready for review.

NOTE: When the Change Request is **approved:**

1. The Cost Tracking tab will display the original budget, all approved change requests and the revised budget.
2. All dollars in the Change Request Cost Breakdown tab are distributed to the same month and level on the Cost Forecast tab. If any amounts in the Change Request were to adjust for months with completed status reports, the Total Forecast will be overstated or understated. Estimate to Complete will be correct because ETC is only looking at future months.

Status tab:

When the Change Request is **approved**, prior to submitting the next status report, the project manager should update the **Status** tab to:

1. Adjust the "Total Approved Phase Budget Dollars", "Total Approved Phase Hours" and "Total Phase Estimate Hours" for the appropriate phases with any changes that occur as a result of this change request (the "Estimate to Complete Phase Dollars" will be automatically calculated as a result of the Cost Forecast fields update).
2. Include comments in the Cost "indicator comments" field explaining the changes in budget so that the EPMO QA group understands the reason for the changes in that area.